



Family Office Hedge Fund Activity Report

2020

Table of Contents



About FINTRX	3
Family Offices Investing in Hedge Funds: A Complete Breakdown	
Single Family Offices vs. Multi-Family Offices	4
Top Five US States Active in Hedge Fund Allocations	5
Top Regions Active in Hedge Fund Investments	6
AUM Breakdown	7
Origin of Wealth Breakdown	8
Family Offices Investing in Hedge Funds & Impact Investments	9
Year Founded Breakdown	10
Will Consider Emerging Fund Investors	10
Why Hedge Funds Should Target Family Office Capital	11

About FINTRX

FINTRX provides comprehensive family office intelligence - engineered to help you **identify**, **access** and **raise** family office capital.

The FINTRX platform is secure, fast and efficient - working to free up your time for what is most critical: **building family office relationships, raising capital & expanding your business**. Since inception, FINTRX has compiled over **half a million data points** on **2,800+** family offices globally, with detailed and continuously updated insights on the **11,062+** contacts that work within them.

Today, the FINTRX platform is used by **hundreds of clients globally** – all of whom rely on our breadth and depth of data, our accuracy and attention to detail and our state-of-the-art technology engineered to provide the research needed.

FINTRX serves a broad array of asset classes:

- Hedge Funds
- Real Estate
- Private Equity
- Venture Capital
- Family Offices
- Private Companies
- Investment Banks
- Long Only/Hybrid

The FINTRX platform offers:



*Automatic
Data Updates*



*No Installation
Required*

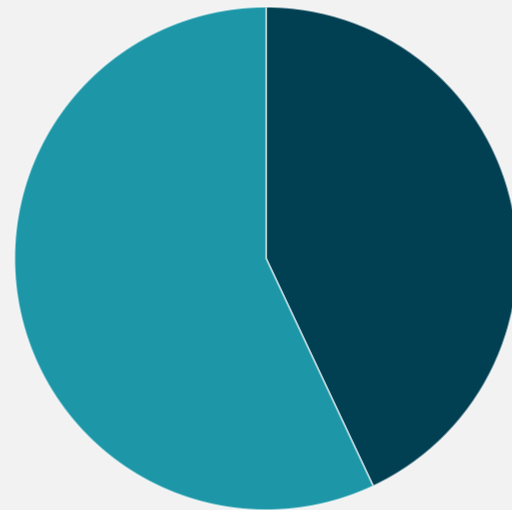
All of the data in this report has been built bottom-up from our extensive dataset, rather than based on models or small-sample survey data. As a result, we are able to share robust insights into this hard-to-reach, yet economically significant sector.

Single Family Offices vs Multi-Family Offices

Keep in mind...

A core function of a **family office** is to centralize the investment activities of a wealthy family or group of families.

SFO vs. MFO Breakdown



Single Family Offices	43.0%
Multi-Family Offices	57.0%

SFO'S 43%

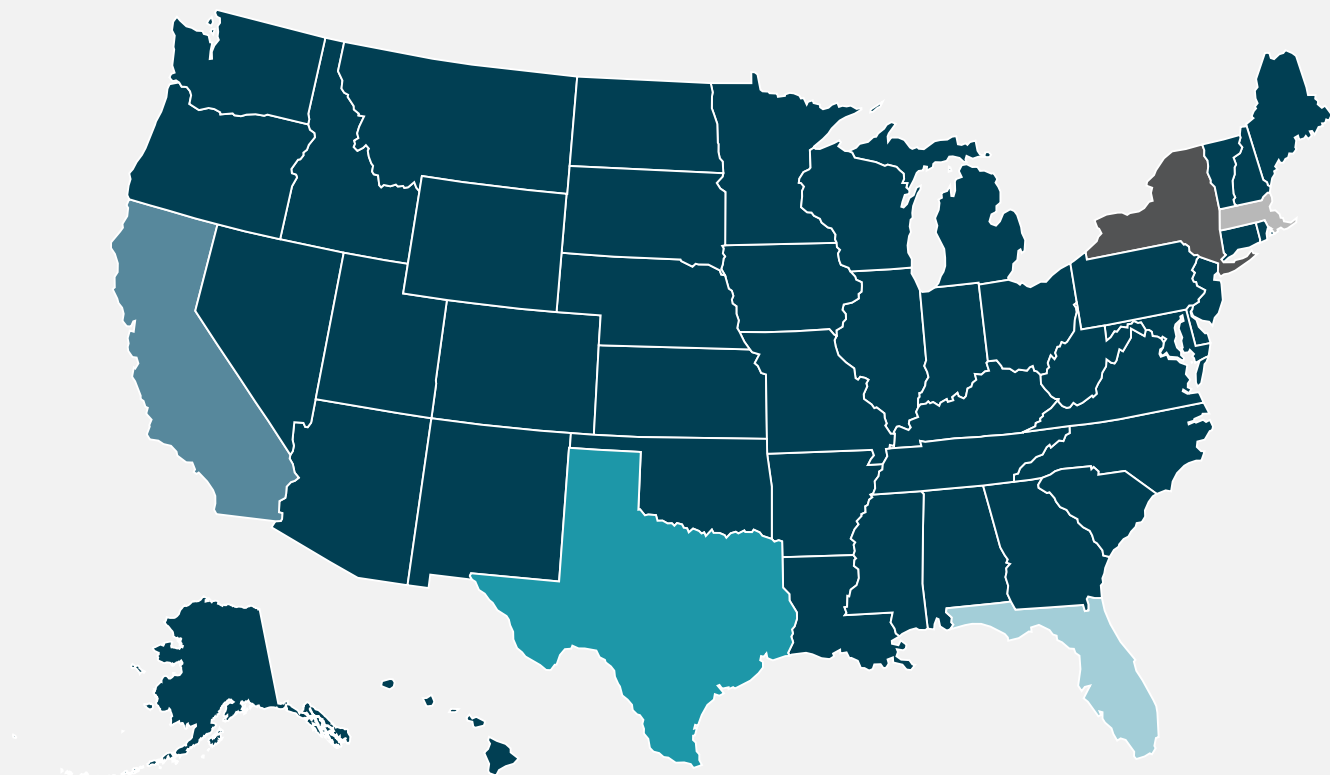
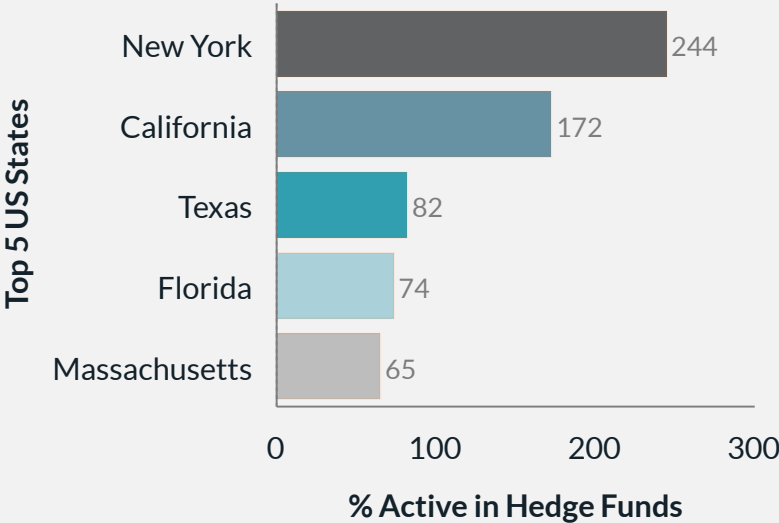
SFOs have shown a lesser exposure to hedge funds, and the equities market in general, compared to their MFO counterparts. Data shows these groups tend to favor the private equity and venture capital spaces when making fund allocations.

MFO'S 57%

In contrast, MFOs have shown a greater exposure to hedge funds, while their investments in venture capital (both directly and via fund vehicles) occur far less frequently.

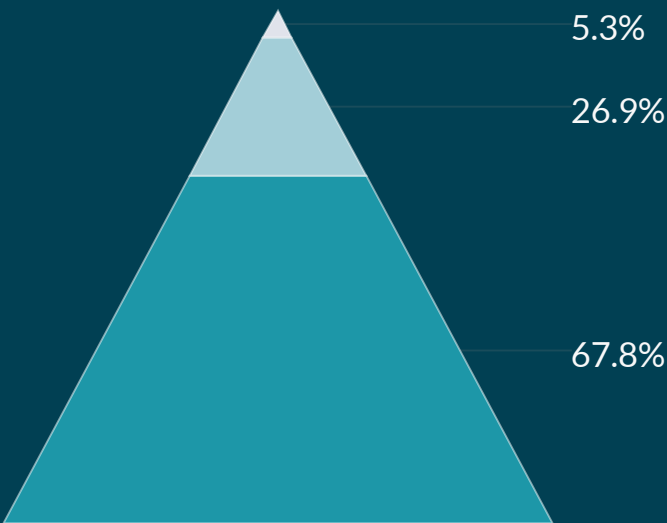
Top Five US States Active in Hedge Fund Allocations

- 1. New York
- 2. California
- 3. Texas
- 4. Florida
- 5. Massachusetts



Top Regions Active in Hedge Fund Investments

1. North America
2. Europe
3. Asia



▲ North America	67.8%
▲ Europe	26.9%
▲ Asia	5.3%



AUM Breakdown

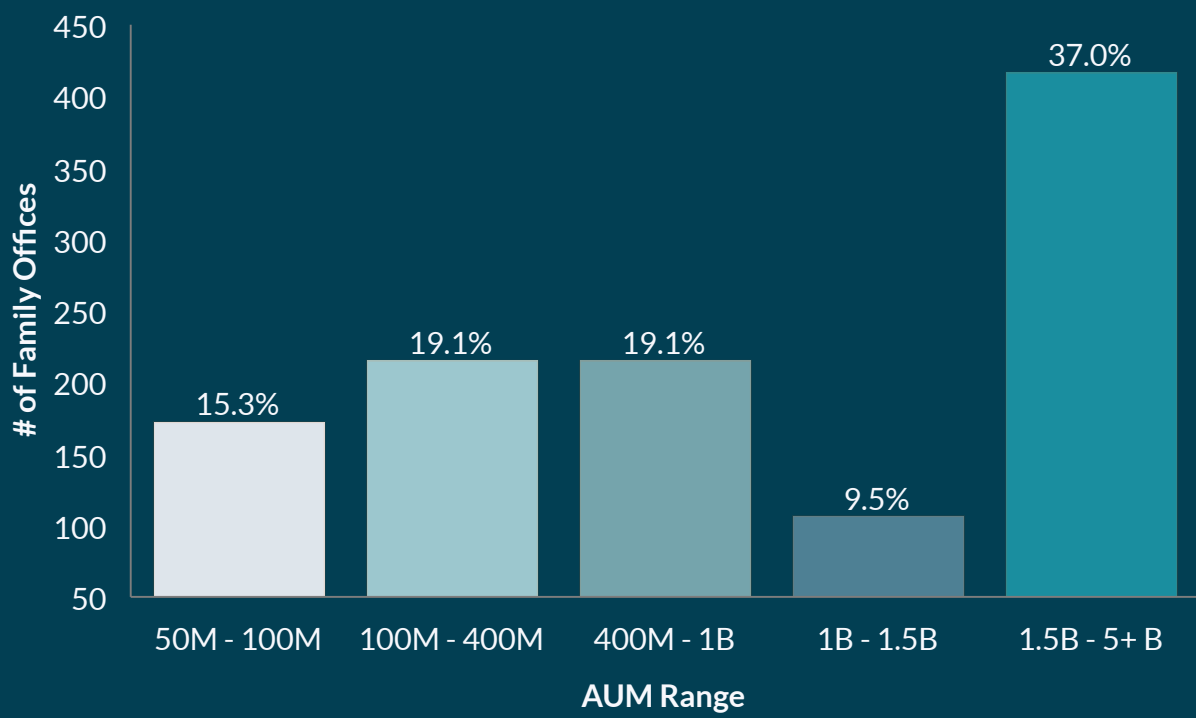
The true minimum AUM threshold to be considered a family office is cloudy. Some say \$10 million, others prefer \$20 million.

However, a vast majority fall above \$100M.

Note:

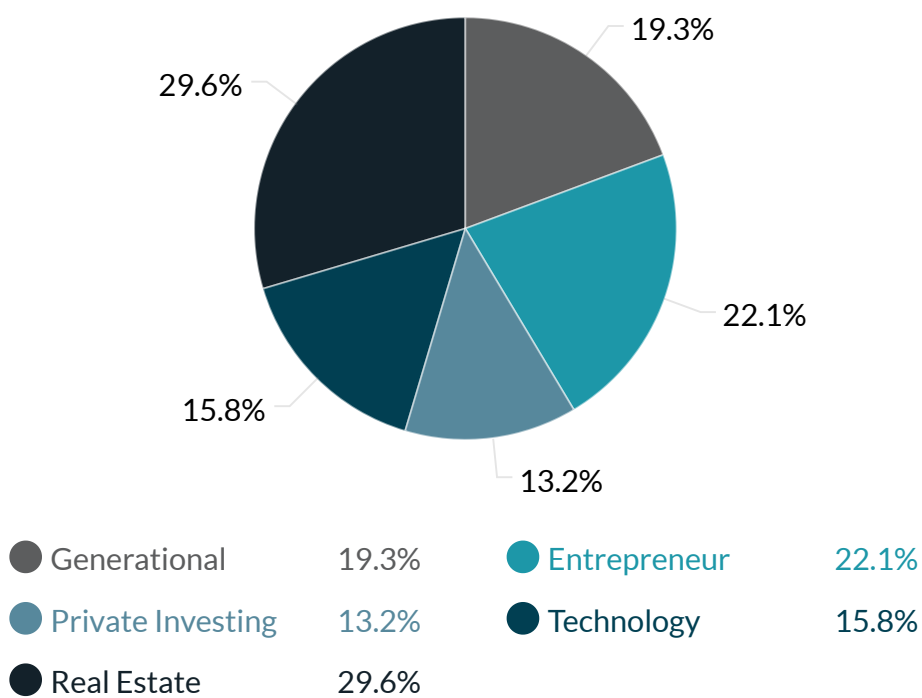
This data comes from the FINTRX family office data & research platform, whose dedicated research team continuously adds & updates our data, guaranteeing the most accurate information at your fingertips.

By AUM Range



Origin of Wealth Breakdown

Family Offices Investing in Hedge Funds
By Origin of Wealth



Family offices, particularly single family, offices demonstrate a propensity to allocate capital within the industries in which they created their wealth.

Understanding this tendency can be valuable for funds and private companies raising capital. If you are able to target investors comfortable and familiar with your proposition, your success rate is likely to be far greater than the alternative.

High net-worth families & individuals **allocate significant capital in meaningful ways** when they find viable opportunities.

Family Offices Investing in Hedge Funds & Impact Investments

Utilizing the FINTRX family office data and research platform, which covers **hundreds** of families active in impact investments, we found that **33%** of **single family offices** (that invest in hedge funds) to be active in impact investments.

Whereas **67%** of **multi-family offices** (that invest in hedge funds) are active in impact investments.

Single Family Offices

33%

Multi-Family Offices

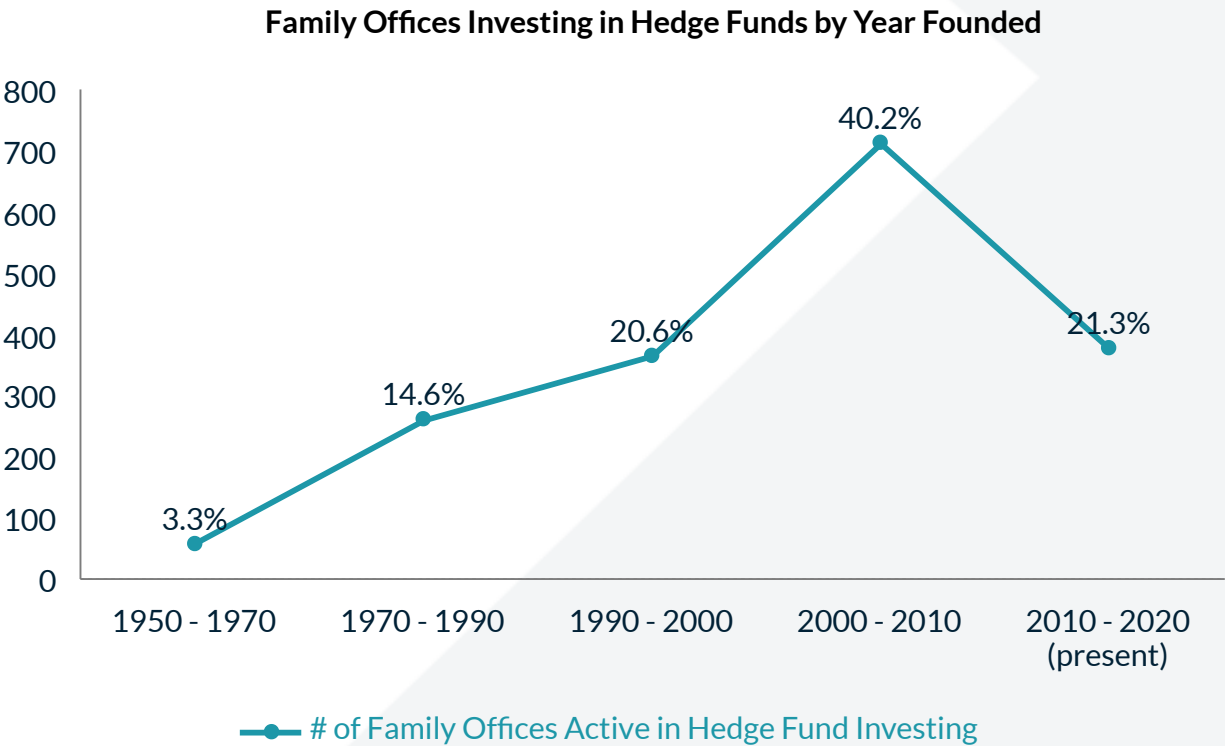
67%

Impact investors make investments into companies, organizations, and/or funds with the intent of generating valuable social or environmental impact alongside financial returns.

Investing with high standards to maximize financial performance and public benefit, impact investors aim for financial returns while also making a positive impact on the communities in which we live.

These investments are immensely attractive to the family office ecosystem as they put forth the agenda of investing in a responsible manner in addition to producing a strong ROI.

Year Founded Breakdown



Emerging Fund Investors

30%

of family offices within the FINTRX platform that allocate to hedge funds also consider investing in first time and emerging fund managers.

Why Hedge Funds Should Target Family Office Capital

Family offices are more inclined to invest with hedge funds as they are typically looking for the possibility of finding exceptional money managers before everyone else notices them.

Additional reasons are as follows:

- Capital is relatively patient
- More apt to invest with emerging managers
- Although they are not in the spotlight, family offices (oftentimes) actively allocate their funds
- Rarely have stringent mandates
- Strategic positioning of investment allocations
- Family offices (generally) give investors complete control



Hedge fund allocations from the fast-growing family office sector is set to increase...

The single and multi-family office world is rapidly becoming an important source of capital, either as a standalone funding source or in partnership(s) with other investors, endowment types and institutional capital providers.

Hedge fund managers need to be proactive and strategic in order to connect with the wealthy and encourage them to invest.

Family offices are increasingly being recognized as full-fledged investment vehicles with the potential to write larger checks and truly move the needle in the investment landscape...

Thank you!

